## **HIGHLIGHTS**

Idaho's 35 rural counties – those with no cities over 20,000 residents – account for about 88 percent of the state's land area. In 2003, these counties were home to 32 percent of the state's population, compared to 36 percent in 1990. One in three rural Idahoans live in Idaho's 21 most rural counties – those without population centers over 7,500 and without strong commuting ties to a large urban area.

In both the 1970s and 1990s, Idaho was among the seven fastest growing states in the nation. Growth in rural Idaho in these decades was nearly double the national growth rate and only two counties lost population each decade. Since 2000, the state's population has continued to grow overall, but trends in many rural areas are less positive. Thirteen of Idaho's 35 rural counties lost population between 2000 and 2003, and several others had very slow growth. These post-2000 trends are consistent with those in rural areas nationwide.

The state's fastest growing rural counties are either in an area with outstanding natural amenities or within commuting distance of the Boise area. Teton and Boise counties, for example, have both doubled in population since 1990. Counties that are losing population or growing only slowly tend to be very remote and have yet to recover from declines in historically important industries.

The demographic make-up of the state's rural areas is changing. In the southern part of the state, Hispanics account for a growing share of the rural population, and in most of the rural counties, the share of the population age 65 and older is increasing. Nine of the 10 counties with the highest proportion of people in this age group are rural.

The economy in many rural parts of the state is diversifying and the employment base is becoming more stable. In other rural areas, however, communities are more vulnerable to the ups and downs of a single industry.

Thirteen of Idaho's 35 rural counties are farming-dependent. A third of Idaho's rural population lives in these counties, which are all in the southern part of the state. As in the rest of the nation, industries that have historically been important to rural Idaho no longer drive the economy as they did in the past. Over the last 25 years, the gross value of products from farming, forestry and mining, including manufactured goods from raw products, has increased by about 140 percent while the rest of the economy has increased more than 500 percent.

These trends are reflected in rural and urban employment. Jobs in agriculture, including food processing, and natural resources make up 22 percent of the total employment in rural Idaho compared to 5 percent in urban areas. The other major difference is in service industries — professional and business, education and health, and "other." Those jobs make up 38 percent of urban employment and just 23 percent in rural areas.

The proportion of rural adults in Idaho who have college degrees – 16 percent in 2000 – is increasing steadily but remains lower than in urban areas. About one-third of the state's K-12 students attend school in rural counties. Declining enrollment is a very serious problem for many of these schools. Forty percent of districts in rural counties experienced a decline of at least 10 percent between 1997 and 2002. Twenty-four percent of urban districts saw similar declines. On average, high school dropout rates are lower in rural Idaho.

## HIGHLIGHTS

Rural income levels are below those in urban parts of the state, consistent with patterns across the United States. Though living costs tend to be lower in rural areas, the difference is probably not enough to offset the income gap. Several factors account for lower incomes in rural areas, including the mix of industries, wage rate levels and age of the population.

For all age, ethnic and racial groups, poverty rates are generally higher in rural Idaho for several reasons. Rural adults tend to have lower levels of formal education and participate in the labor force in lower numbers than their urban counterparts. In addition, jobs in rural areas tend to pay lower wages.

Idaho's rural transportation infrastructure is impacted by an evolving public policy that encourages deregulation and the shift of decision making from federal to state governments and from state to local governments. Affordable broadband Internet access is an important rural economic development issue, but there are fewer telecommunication options in most rural areas.

Housing affordability significantly affects both renters and owners in many rural communities, particularly those that are growing rapidly. In five rural counties (and four urban counties) at least 35 percent of all renters spent more than 30 percent of their income on rent payments and utilities. Another important rural housing issue is that a substantial proportion of units are occupied only on a part-time basis for recreational purposes. In five counties – all rural – at least one in four housing units are vacant part of the year.

Spectacular mountain ranges, large expanses of public land and great geographic diversity provide a wide variety of recreation opportunities in rural Idaho. In addition, our state's rich cultural heritage, celebrated by numerous local events in small communities, contributes greatly to the rural quality of life. These assets combined with low crime rates, shorter commute times and cleaner environment make rural Idaho the attractive destination it has become.